



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TREASURY

RACHAEL EUBANKS
STATE TREASURER

DATE: July 22, 2019

TO: Robert Gordon, Director
Department of Health and Human Services

CC: See below

FROM: Rachael Eubanks *RE*
State Treasurer

SUBJECT: Certificate of Need Threshold Adjustment for January 1, 2020

Under MCL 333.22221(g) the Department of Community Health shall adjust each January 1, the "covered capital expenditure" threshold in MCL 333.22203(9) "by an amount determined by the state treasurer." The adjustment amount is to reflect "the annual percentage change in the consumer price index, using data from the immediately preceding period of July 1 to June 30."

As last amended by Public Act 619 of 2002, the statute requires the State Treasurer to determine annually the threshold amount. The statutory language is:

Sec. 22221 The department [of community health] shall do all of the following:
(g) Beginning January 1, 2003, annually adjust the \$2,500,000.00 threshold set forth in section 22203(9) by an amount determined by the state treasurer to reflect the annual percentage change in the consumer price index, using data from the immediately preceding period of July 1 to June 30. As used in this subdivision, "consumer price index" means the most comprehensive index of consumer prices available for this state from the bureau of labor statistics of the United States department of labor.

The cumulative percentage increase in the Detroit CPI-All Urban consumers through the period July 1, 2001-June 30, 2019 is 35.0 percent. **Based on this cumulative increase, the January 1, 2020 adjusted threshold will be \$3,375,000.**

Please call Eric Bussis (335-7438) or me (241-2624) if you have any questions.

c: Eric Bussis
Thomas Patchak-Schuster
Elizabeth Nagel, Planning Division Director –MDHHS
Tulika Bhattacharya, Section Manager – MDHHS

Andrew Lockwood
Katherine Kratz

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